II. REAL ESTATE SITUATION

A. Security Area Map

The Security Area Map and Area Descriptions which accompany this report were constructed after a detailed survey of the city had been made with Mr. James G. Stafford, Division Appraiser for Northern California. Based upon this inspection of the individual areas, a preliminary map was set up and submitted to Mr. Mark Cheeseman of the McClatchy Realty Company and Mr. Thomas G. Mapel of the real estate firm of Elliott and Huston. Both these gentlemen are HOLC fee appraisers and were highly cooperative. Much of the credit for the excellence of the map and descriptions as submitted herewith is due to them.

During the progress of this work many community characteristics were noted, and these are set forth in the "Introduction to Area Descriptions." As this introduction also includes a general description of Sacramento and its environs, population, and racial trends, and a detailed explanation of the grades and standards used in constructing the map and area descriptions, it is suggested that it be read in connection with this section of the report.

In addition to the areas shown and graded upon the map, there is a suburban district about five miles east of the city across the American River that is not shown upon the map but which is rapidly developing into a first grade area of the country mansion and estate type. Had this section been shown, it would have been set up as a "hatched green" area.

Much has already been said of the city's average population density. This is very clearly depicted in the "Population Density Map" which is included in the Exhibit Section of this report. From this it will be noted that a concentration, far beyond the average, exists in the "old city" which is the section, on the Security Map, north of "Y" Street and east of Alhambra Boulevard. The explanation lies in the fact that this section of the city was the only part that was fully protected from floods prior to 1920.

B. Valuation Shrinkage between 1929 and 1936

It will be noted from the information submitted by the realtors, found in the appendix, that there is a wide divergence of opinion as to the period during which real estate values reached their peak in Sacramento. After reviewing the evidence, it is believed this difference of opinion arises from the fact that peak prices were reached in different types of property and in various sections at diverse